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Subcommittee Oversight Panel Holds Hearing on U.S. Postal Service Consolidation Initiatives

Postal Service's recent efforts to adjust mail delivery routes and to review over 3,000 post office branches and stations for possible consolidation receive Congressional scrutiny

WASHINGTON, D.C. – On Thursday, July 30, 2009, at 10:00AM in Room 2154 of the Rayburn House Office Building, the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia will hold an oversight hearing entitled, “Making Sense of It All: An Examination of USPS’s Station and Branch Optimization Initiative and Delivery Route Adjustments.”

The hearing is intended to discuss the Postal Service’s recently-proposed initiative to study the activities of nearly 3,200 postal stations and branches across the country for consolidation purposes, as well as examine other USPS cost cutting and consolidation-related efforts, including mail delivery route adjustments and related impacts.

In response to the continued deterioration of its financial condition, the Postal Service has pursued an aggressive, across-the-board cost-cutting strategy in order to address its present and expected financial burdens.

According to Postmaster General Jack Potter, in a letter to Congress dated July 14th, 2009, the Postal Service is expected to lose approximately \$7.1 billion by the end of FY 2009. In short, through its “Station and Branch Optimization Initiative,” the Postal Service hopes to generate

additional cost savings by identifying post office stations and branches, primarily located in urban and suburban population centers, that are suitable for consolidation or elimination from the mail network. Furthermore, the Postal Service has also begun to employ other cost-cutting measures, including the adjustment of letter carrier routes, which the agency estimates will result in an additional saving of \$1 billion annually.

“In light of its dismal financial condition and its continually-declining mail volume, the Postal Service has made the difficult decision to undertake a series of steps, including its consolidation initiative and delivery route adjustments, designed to achieve significant cost-savings through the streamlining of postal operations – and it is important to note that the Postal Service plan attempts all of this without layoffs” said Chairman Stephen F. Lynch. “Through continued and meaningful oversight of the Postal Service’s cost-cutting efforts, we can better ensure that any such initiatives will not negatively impact overall postal operations, customer service, and the future viability of the Postal Service or disadvantage our hardworking postal employees.”

In addition to projecting a \$7.1 billion loss in FY2009 for the Postal Service, Postmaster General Potter also recently estimated that the agency’s mail volume would only reach 175 billion pieces this year, a decrease that would mark a 38 billion piece drop since FY2007. Moreover, on July 28, 2009, the Government Accountability Office added the financial condition of the Postal Service to its “High-Risk List” of federal areas in need of transformation.

Witnesses’ testimonies, the Chairman’s opening statement and a 10:00 a.m. live broadcast of the hearing can be found on the Subcommittee’s website, federalworkforce.oversight.house.gov

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To view a webcast of the hearing, please click on the link below:

[Click Here](#)

The Subcommittee on Federal Workforce, Postal Service, and the District of Columbia's jurisdiction includes federal employee issues, non-appropriation municipal affairs of the District of Columbia, and the Postal Service, including post office namings, holidays, and commemoratives.

Documents and Links

- [Testimony of Arthur Sackler](#)
- [Testimony of Don Cantriel](#)
- [Testimony of Fedric Rolando](#)
- [Testimony of Hon. Albio Sires](#)
- [Testimony of Jerry Cerasale](#)
- [Testimony of John Hegarty](#)
- [Testimony of John Waller](#)
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- [Testimony of William Burrus](#)